

**UNION PACIFIC GROUP LONG TERM CARE PLAN  
EFFECTIVE SEPTEMBER 1, 2013  
SUMMARY PLAN DESCRIPTION**

This document, along with your insurance certificate issued by Continental Casualty Company ("the Insurance Company"), 333 South Wabash, Chicago, Illinois 60604, summarizes how the Union Pacific Group Long Term Care Plan (the "Plan") works as of September 1, 2013. This document and your insurance certificate include information about who is covered, the benefits provided, limitations or restrictions you should know about, and how to claim your benefits. The benefits under the Plan are covered by provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), a federal law that governs the operation of employee benefit plans.

ERISA requires that you receive an easily understood description of your benefits, called a summary plan description ("SPD"). The information about the Plan described in this document, along with the insurance certificate, constitutes the Plan's SPD. For more information concerning your ERISA rights, see the ERISA section of this SPD.

While Union Pacific Corporation intends to continue the Plan indefinitely, it reserves the right to terminate or amend the Plan for any reason. If Union Pacific Corporation, through the Vice President – Human Resources, Union Pacific Railroad, terminates or amends the Plan, benefits under the Plan would cease or change. Similarly, a Participating Employer can take such actions with respect to its Employees. Every effort will be made to provide you with reasonable notice of any such change.

Note that capitalized terms not defined in this document are defined in the insurance certificate.

**Name of Plan**

The Plan for which this Summary Plan Description is provided is known as the:

Union Pacific Corporation Group Long Term Care Plan

**Plan Sponsor and Participating Employers**

The Plan is sponsored by:

Union Pacific Corporation  
1400 Douglas Street  
Omaha, NE 68179

The Plan is extended to employees of participating Union Pacific subsidiaries ("Employers"), including: Union Pacific Corporation, Union Pacific Railroad, Union Pacific Tech, UPDS, Streamline, UPFE, A&S, BMB, ShipCarsNow, Selma, PS Technologies or Insight Network Logistics. Additional information about the Employers, including their addresses and employer identification numbers, is available in the Union Pacific Human Resources Department in Omaha, and may be obtained upon written request.

**Plan Sponsor's Employer Identification Number**

The employer identification number (EIN) assigned by the Internal Revenue Service to Union Pacific Corporation, the Plan sponsor, is:

13-2626465

**Plan Administrator**

Vice President-Human Resources  
Union Pacific Railroad  
1400 Douglas Street  
Omaha, NE 68179  
(402) 544-5000

**Plan Number**

The Plan Number assigned to the Plan by the Plan sponsor is:

**Type of Welfare Plan**

The Plan is a group long term care plan.

**Administration of Plan**

The Plan is administered by the Plan Administrator through an insurance contract purchased from the Insurance Company.

**Plan Documents**

This SPD helps you use your benefits and understand your rights under the Plan and ERISA. It also provides a summary of the more important Plan features. The complete provisions concerning the insured benefits are contained in the master contract between the Insurance Company and Union Pacific Corporation. If the contents of this SPD should disagree with the master contract, the wording of the master contract will always govern.

**Discretionary Authority of Plan Administrator and other Plan Fiduciaries**

In carrying out their respective responsibilities under the Plan, the Plan Administrator and other Plan fiduciaries, including the Insurance Company (fiduciary with respect to claims), shall have discretionary authority to make factual findings, interpret the terms of the Plan and determine eligibility for and entitlement to Plan benefits in accordance with the terms of the Plan. Any finding, interpretation or determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the finding, interpretation or determination was arbitrary and capricious.

The Plan Administrator may designate other persons to carry out such of his responsibilities under the Plan for the operation and administration of the Plan as he deems advisable and delegate to the persons designated such of his powers as he deems necessary to carry out such responsibilities. Any designation and delegation shall be subject to such terms and conditions as the Plan Administrator deems necessary and proper. Any action or determination made or taken in carrying out responsibilities under the Plan by the persons so designated by the Plan Administrator shall have the same force and effect for all purposes as if such action or determination had been made, or taken by the Plan Administrator.

**Agent for Service of Legal Process**

The person designated as agent for service of legal process upon the Plan is:

Vice President-Human Resources  
Union Pacific Railroad  
1400 Douglas Street  
Omaha, NE 68179  
(402) 544-5000

**Eligibility and Enrollment**

For purposes of the Plan, the following definitions apply:

*Employee* means any agreement or nonagreement person employed by the Employer, working more than 20 hours per week, except that Employee does not include any person classified as a temporary employee, co-op or intern.

*Actively at Work* means the Employee is physically at his or her usual place of business performing the regular duties of his or her work and is expected to continue to perform such duties for a period of at least 90 days except for reasonable, non-medical paid or unpaid absence, such as scheduled vacation, jury duty, sabbatical or legal holiday.

*Insured* means the eligible person whose coverage is in force under the Plan.

A person identified in any of the following Eligibility Classes is eligible to be an Insured under the Plan. However, no person may be an Insured under more than one Eligibility Class, and no person may be an Insured unless he or she is a citizen or Permanent Resident Card holder of the United States of America.

**A. Class A –Employees**

An Eligible Employee who is Actively at Work.

Employees become Eligible on the first day of the month following their date of hire, unless their date of hire is the first day of the month. If an Employee's date of hire is the first day of the month, that is the day he or she becomes Eligible.

Enrollment Information for Eligible Employees

- (1) An Eligible Employee may elect to enroll or apply for coverage:
  - a. During the Initial Enrollment Period if the Employee is Actively at Work;
  - b. Within 31 days of the Employee's return to work if he or she is not Actively at Work during the Initial Enrollment Period;
  - c. Within 31 days after becoming Eligible; or
  - d. At other times agreed upon by the Insurance Company and Union Pacific Corporation.
  
- (2) The following underwriting criteria shall apply:
  - a. At the discretion of the Insurance Company, coverage shall be granted without demonstrating evidence of insurability, using the Enrollment Form, if the Employee elects to enroll:
    - i. During the Initial Enrollment Period;
    - ii. Within 31 days of his or her return to work, if the Employee was not Actively at Work during the Initial Enrollment Period; or
    - iii. Within 31 days after becoming Eligible.
  
  - b. Coverage shall be granted subject to the Insurance Company's approval of evidence of insurability if the Employee applies for coverage at any other time.
  
- (3) Coverage shall take effect as follows:
  - a. If the Employee enrolls during the Initial Enrollment Period, coverage will be effective on the Master Policy Effective Date.
  - b. If the Employee enrolls/applies for coverage at any other time, coverage shall be effective as follows:
    - i. If the Insurance Company receives and processes the enrollment form or approves and processes the evidence of insurability on or before the 15th of the month, the insurance will take effect on the first day of the month immediately following approval.
    - ii. If the Insurance Company receives and processes the enrollment form or approves and processes the evidence of insurability after the 15th of the month, the insurance will take effect on the first day of the second month following approval.

The Employee must be Actively at Work on the Coverage Effective Date. If the Employee is not Actively at Work on the Coverage Effective Date due to a paid or unpaid absence,

the insurance will take effect on the first day of the month following the date the Employee returns to work. However, if such Employee is not Actively at Work on the Coverage Effective Date due to a paid or unpaid absence for non-medical reasons (for example, scheduled vacation, jury duty, sabbatical or legal holiday) **and** if the Employee returns to work no later than 10 days after the Coverage Effective Date, the Employee will be deemed to be Actively at Work on the Coverage Effective Date.

## **B. Class B – Spouses/Domestic Partners of Eligible Employees**

The Spouse or Domestic Partner of a Class A-Employee as described above.

The Spouse must be the current, lawful spouse of the **Eligible Employee**.

Domestic Partner means the partner of an **Eligible Employee** who has entered into a state registered Domestic Partnership with the Employee, or if not a state-registered domestic partner, who is of the same sex or opposite sex sharing a long-term committed relationship of indefinite duration with the following characteristics

- a. age 18 or over;
- b. have been cohabiting together at least six months;
- c. are not blood relatives;
- d. are not married or with another domestic partner, and;
- e. can demonstrate joint responsibility for each other's common welfare and financial obligations by the existence of three of the following conditions:
  - i. joint mortgage, lease, or ownership of real property
  - ii. designation as life insurance beneficiary for at least one year
  - iii. assignment of a durable power of attorney
  - iv. joint ownership of motor vehicle
  - v. joint checking account
  - vi. joint ownership of investments
  - vii. joint responsibility of debts

### Enrollment Information for Eligible Spouses/Domestic Partners

- (1) A Spouse or Domestic Partner may elect to apply for coverage anytime the Eligible Employee is Actively at Work.
  - a. During the Initial Enrollment Period if the Employee is Actively at Work;
  - b. Within 31 days of his or her return to work, if the Employee was not Actively at Work during the Initial Enrollment Period;
  - c. Within 31 days of his or her marriage to, or creation of the domestic partnership with, the Eligible Employee
  - d. Within 31 days after the Employee becomes Eligible; or
  - e. At other times agreed upon by the Insurance Company and Union Pacific Corporation.
- (2) Coverage shall be granted subject to the Insurance Company's approval of evidence of insurability.
- (3) Coverage shall take effect as follows:
  - a. If the Insurance Company approves and processes the evidence of insurability on or before the 15th of the month, the insurance will take effect on the first day of the month immediately following approval.

- b. If the Insurance Company approves and processes the evidence of insurability after the 15th of the month, the insurance will take effect on the first day of the second month following approval.

**C. Class C – Parents and Grandparents**

The Parent, Parent-in-law, Grandparent, or Grandparent-in-law of a Class A-Employee as described above.

Parent means a natural parent; an adoptive parent; or any other person who is legally married to a natural parent or adoptive parent.

Grandparent means a natural grandparent; an adoptive grandparent; or any person who is legally married to a natural or adoptive grandparent.

**NOTE:** In-law shall also include the parents and grandparents of the Same-Sex Domestic Partner.

Enrollment Information for Eligible Parents and Grandparents

- (1) Parents, Parents-in-law, Grandparents, and Grandparents-in-law may elect to apply for coverage anytime the Eligible Employee is Actively at Work.
- (2) Coverage shall be granted subject to the Insurance Company's approval of evidence of insurability.
- (3) Coverage shall take effect on the first of the month that falls on or next following the date the Insurance Company approves and processes the evidence of insurability.

**D. Class D – Retirees and Spouses/Domestic Partners of Retirees**

A Retiree of Applicant.

Retiree means a former Eligible Employee who has retired from Applicant.

The Spouse or Domestic Partner of a Retiree.

The Spouse of the Retiree must be the current, lawful spouse of the Retiree.  
The Domestic Partner must meet the criteria set forth above.

Enrollment Information for Eligible Retirees and Spouses/Domestic Partners of Retirees

- (1) Retirees and Spouses/Domestic Partners of Retirees may elect to apply for coverage at anytime.
- (2) Coverage shall be granted subject to the Insurance Company's approval of evidence of insurability.
- (3) Coverage shall take effect on the first day of the month that falls on or next following the date the Insurance Company approves and processes the evidence of insurability.

**E. Class E – Individuals insured under Continental Casualty Company Policy Number 10170TQ (Long-Term Care Insurance policy, effective September 1, 2002) who are in active, premium-paying status as of September 1, 2013.**

- (1) Insureds in this Class must elect to enroll pursuant to the terms of the individual offer letter.
- (2) The following underwriting criteria shall apply:

- a. Coverage shall be granted without demonstrating evidence of insurability if the Insured elects either to remain at or to increase his or her current Daily Maximum Benefit to the next highest Daily Maximum Benefit.
  - b. Coverage shall be granted subject to the Insurance Company's approval of evidence of insurability if the Insured elects to increase to a Daily Benefit greater than the next highest Daily Maximum Benefit.
- (3) Coverage shall be effective on or after the Master Policy Effective Date as follows:
- a. If the Insured elects either to remain at or to increase his or her current Daily Maximum Benefit, coverage shall take effect on the Master Policy Effective Date.
  - b. If the Insured elects to increase to his or her Daily Maximum Benefit coverage shall be effective on or after the Master Policy Effective Date as follows:
    - i. If the Insurance Company approves and processes the evidence of insurability on or before the 15th of the month, the insurance will take effect on the first day of the month immediately following approval.
    - ii. If the Insurance Company approves and processes the evidence of insurability after the 15th of the month, the insurance will take effect on the first day of the second month following approval.
- Insureds shall be deemed to have coverage from the Insured's original effective date under the Continental Casualty Company Policy Number 10170TQ for purposes of calculating time and Premium; however, Premium for any changes or increases in coverage shall be calculated at the Insured's age as of the current effective date of coverage.

**Benefits**

The Plan's conditions pertaining to eligibility to receive benefits and a description or summary of the benefits are listed in the insurance certificate.

**Schedule of Benefits**

Below is a Schedule of Benefits, which provides the general maximum benefits under the Plan.

**A. Facility Care Benefits**

(1) Facility Care Benefit

The Eligible Expense per day of Facility Care (Nursing Home Care, Hospice Facility or Assisted Living Facility), not to exceed the Daily Benefit, as determined by the option elected by the eligible person.

(2) Bed Reservation Benefit

The Eligible Expense, not to exceed the Daily Benefit for Facility Care, as elected by the eligible person, with a maximum Annual Benefit of 21 calendar days.

Option	Daily Benefit for Facility Care	Corresponding Annual Bed Reservation Benefit
1	\$100.00	\$2,100.00
2	\$200.00	\$4,200.00
3	\$300.00	\$6,300.00

**B. Lifetime Maximum Benefit**

1,095 times (3-years) or 1,825 times (5-years) the Daily Benefit for Facility Care, as elected by the eligible person.

Option	Daily Benefit for Facility Care	Corresponding 3-Year Lifetime Maximum Benefit	Corresponding 5-Year Lifetime Maximum Benefit
1	\$100.00	\$109,500.00	\$182,500.00
2	\$200.00	\$219,000.00	\$365,000.00
3	\$300.00	\$328,500.00	\$547,500.00

C. *Waiting Period*

90 Calendar Days from certification as Chronically Ill. - **Once per lifetime.**

D. *Home Based Care Benefits*

(1) Home Care Benefit

The Eligible Expense per day of Home Care, Home Hospice or Adult Day Care, not to exceed 75% of the Daily Benefit for Facility Care, as elected by the eligible person.

(2) Caregiver Training Benefit

The actual Expense per training, not to exceed 3 times the Daily Benefit for Home Based Care, as elected by the eligible person.

(3) Home Medical Technology Benefit

The Eligible Expense not to exceed \$1,000 per year for rental or lease of home medical technology.

Option	Daily Benefit for Facility Care	Corresponding Dailey Benefit for Home Based Care	Corresponding Caregiver Training Benefit	Corresponding Home Medical Tech Benefit
1	\$100.00	\$75.00	\$225.00	\$1,000.00
2	\$200.00	\$150.00	\$450.00	\$1,000.00
3	\$300.00	\$225.00	\$675.00	\$1,000.00

E. *Other Benefits*

(1) Respite Care Benefit

The Eligible Expense per day not to exceed the Daily Benefit for Facility Care or Home Based Care (depending upon the type of care being utilized), as elected by the eligible person, with a maximum Annual Benefit of 14 days per calendar year.

Option	Daily Benefit for Facility Care	Corresponding Daily Respite Benefit	Corresponding Annual Respite Benefit
1	\$100.00	\$100.00	\$1,400.00
2	\$200.00	\$200.00	\$2,800.00
3	\$300.00	\$300.00	\$4,200.00

(2) Waiver of Premium

After completion of the Waiting Period.

(3) Alternate Plan of Care Benefit

We will pay for alternate services, devices, or types of care pursuant to a written Alternate Plan of Care developed by or with a Licensed Health Care Practitioner, agreed to by the Insured and approved by the Insured's physician and Us. Benefits will be paid at the levels specified and agreed to in the Alternate Plan of Care.

F. *Additional Benefits*

(1) Caregiver Benefit

A cash payment equal to 10 times the Daily Facility Care Benefit when receiving care at home. This benefit may be used when receiving Home Based Care but not Facility Care.

<b>Option</b>	<b>Daily Benefit for Facility Care</b>	<b>Corresponding Annual Caregiver Benefit</b>
1	\$100.00	\$1,000.00
2	\$200.00	\$2,000.00
3	\$300.00	\$3,000.00

(2) World Wide Coverage Benefit

A cash payment equal to 75% of the Daily Benefit for Facility Care, as elected by the eligible person, for services received outside the United States.

<b>Option</b>	<b>Daily Benefit for Facility Care</b>	<b>Corresponding World Wide Caregiver Benefit</b>
1	\$100.00	\$ 75.00
2	\$200.00	\$150.00
3	\$300.00	\$225.00

Note: The World Wide Coverage benefit is paid in lieu of the Facility Care Benefit or Home Care Benefit when receiving services outside of the United States.

(3) Future Benefit Guarantee (If elected)

If elected by the Insured: If the Insured stops paying premiums after 3 years of continuous coverage, Long Term Care coverage will be continued. Daily Benefit levels remain the same; however, the Lifetime Maximum Benefit will be reduced to the greater of the total premiums paid or 30 times the Daily Benefit for Nursing Home Care.

(4) Inflation Protection

Guaranteed Benefit Increase Option



Insureds will be offered opportunities to increase the Daily Facility Care Benefit Levels and Lifetime Maximum on the third anniversary of the Effective Date of the Master Policy, and no less than every 3 years thereafter. The offered increase will be not less than a compounded annual 5% rate. Insureds are not obligated to purchase additional coverage in order for their policies to remain in effect.

### **Circumstances Which May Affect Benefits**

Circumstances which may result in disqualification, ineligibility, denial, loss, forfeiture or suspension of any benefits are listed in the insurance certificate.

### **Sources of Plan Contributions**

The Plan is fully insured. 100% of the premium is paid by the Insured.

### **Medium for Providing Benefits**

The Plan is fully insured. Benefits under the Plan are provided in accordance with the provisions of Group Insurance Policy Number 10170-IS issued by the Insurance Company.

### **Date of End of Plan's Fiscal Year**

The date of the end of each year for purposes of maintaining the Plan's fiscal records is December 31.

### **Claim Procedures**

The Insurance Company is responsible for paying claims. The Insurance Company has been given final discretionary authority to make claim determinations in accordance with the terms of the Plan. Any determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the determination was arbitrary and capricious.

The procedures you must follow for filing a claim for benefits and appealing a decision of the Insurance Company to deny a claim for benefits is described on page 13 of the insurance certificate.

### **Statement of ERISA Rights**

The statement of Employee Retirement Income Security Act of 1974 ("ERISA") Rights is required by federal law and regulation.

As a participant in this Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to: **Receive information about the Plan and Benefits**

1. Examine, without charge, in the Human Resources Department in Omaha, all documents governing the Plan, including the master application, the insurance policy, and a copy of the latest annual report (Form 5500) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of Employee Benefits Security Administration.
2. Obtain, upon written request to the Plan Administrator, copies of the documents governing the operation of the Plan, including the master application, the insurance policy, and the latest Form 5500 and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employer or anyone else, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

### **Enforce your Rights**

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. To ensure your request was not lost in the mail, call the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, You may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay the cost and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### **Assistance with Your Questions**

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.